

[24 April, 2001]

RAJYA SABHA

Central Vigilance Commissioner Shri N. Vithal's statement-'Rajasva Vibhagon me Vyapak Bhrashtachar';

(b) if so, what is Government's reaction thereto;

(c) whether Government have formulated any scheme to make the present structure functioning and working system of Department of Revenue corruption free; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN): (a) Yes, Sir.

(b) to (d) In order to tackle the problem of corruption in the Income Tax and Customs and Central Excise Departments, several steps have been taken which include, undertaking a cadre restructuring exercise in the Departments, expanding the use of information technology, reducing the inter-face between the public and field staff, making the penalties against the tax evaders non-discretionary (as proposed in current year's budget) and strengthening the vigilance machinery.

Sharp decline in Foreign Currency Reserves

4188. SHRI ABANI ROY:

SHRI KRISHNA KUMAR BIRLA:

Will the Minister of FINANCE be pleased to state:

(a) whether Foreign currency reserves have sharply declined as reported in the Hindustan Times dated 1st April, 2001;

(b) if so, the factors responsible for such a sharp decline in foreign reserves;

(c) whether Government/RBI have taken any steps to maintain its foreign currency reserves;

(d) if so, the details thereof;

(e) whether the drop in foreign exchange reserve has an adverse impact on imports; and

(f) what corrective measures Government propose to take to maintain our foreign exchange reserves?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) India's foreign exchange reserve (including gold and SDRs) had declined by US \$ 198 million to US \$ 42.00 billion during the week ended March 23, 2001 as reported in Hindustan Times dated April 1, 2001. The above decline reflects a very short-term movement in reserves and was temporary. India's foreign exchange reserves have, in fact, increased by US \$ 4.24 billion during 2000-01 from US \$ 38.04 billion at the end of March 2000 to US \$ 42.28 billion at the end of March 2001 and they have increased further by US \$ 407 million to US \$ 42.69 billion as on April 6, 2001.

(b) The weekly movements in foreign exchange reserves reflect, in general, the demand-supply gaps in the foreign exchange market emanating from inflows and outflows arising on account of India's international transactions both on the current and capital accounts of balance of payments.

(c) to (f) The level of foreign exchange reserves at present is comfortable, considering the requirements for essential imports, short-term liabilities including debt service payments, and other unforeseen contingencies. The Government and the Reserve Bank of India (RBI) monitor closely the developments in the balance of payments and in the financial markets at home and abroad and take such measures, as are considered necessary, from time to time to increase exports and invisible receipts, including remittances, to enhance the inflows of capital, particularly foreign direct investments, and to maintain orderly conditions in the foreign exchange market.

Disposal of Cases by DRT

4189. **SHRI H.K. JAVARE GOWDA:** Will the Minister of FINANCE be pleased to state:

- (a) the number of Debt Recovery Tribunals set up so far in the country;
- (b) the details of cases filed and disposed of so far;
- (c) whether the rate of disposal of cases is satisfactory;
- (d) if not, the reasons therefor; and